

Monday, 5 February 2024

## **Aussies to splash \$465 million in the name of love amid cost-of-living squeeze**

Australian lovebirds are set to spend \$465 million this Valentine's Day (down 4.1% or \$20 million from 2023) as cost-of-living pressures clip Cupid's wings.

Research from the Australian Retailers Association (ARA), in conjunction with Roy Morgan, shows 3.4 million Australians will be gifting in the name of love this year, down 700,000 from 2023.

While the overall spend and number of Valentine's Day shoppers is tipped to fall this year, those who are gift-giving are set to splash out \$135 per head, considerably more than last year (up from \$118 in 2023 or 14.4%).

The 18-34-year-old demographic remains the highest spending demographic and is set to spend \$145 million on Valentine's Day this year, down substantially from \$215 million last year. They are closely followed by those aged 35-49 – who will spend \$140 million, broadly the same as last year.

### **Some of the other key findings of the ARA-Roy Morgan research include:**

- Flowers (mentioned by 48% of respondents), chocolates (33%) and dinner or a trip away (11%) are set to be the most popular purchases.
- Intimate gifts remain sought-after, with lingerie (5%) and adult toys (4%) ranking within the top cohort of gifts.
- Of those who are planning to purchase a Valentine's Day gift, almost a quarter say they will be spending more, while 57% will spend around the same and 19% will spend less.
- About 12% of those Valentine's gifting will be purchasing a present for someone other than their romantic partner.
- The majority, a total of 70% of respondents will celebrate Valentine's Day with a romantic celebratory meal.

ARA CEO Paul Zahra said cost-of-living pressures are set to have a significant impact on Valentine's Day this year.

"With 700,000 less Australians planning to buy a gift for a loved one this Valentine's Day – it's clear just how much of an impact the rising cost of living is having on households," he said.

"The 18–34-year-old demographic will spend significantly less on Valentine's Day this year, driving much of the decline. They're typically the age group most affected by interest rates and the cost-of-living pressures.

"With the financial pressure that Australians are under, flowers remain the go-to gift – cementing their status as a staple of the Valentine's Day experience. They're a sentimental token of love and affection that can be tailored to any budget without breaking the bank."

“It’s pleasing to see that the vast majority of love birds will be spending time together with a romantic lunch or dinner either at home or at a restaurant”.

At the top end of the spectrum, some of the notable gifts reported included a \$60,000 car, a \$15,000 motorbike and a \$5,000 holiday to Bali.

*This ARA-Roy Morgan Snap SMS survey was conducted with an Australian-wide cross-section of 5,670 Australians aged 18+ on Wednesday January 24 - Wednesday January 31, 2024 including 685 who plan on buying gifts for Valentine’s Day.*

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**About the Australian Retailers Association (ARA)**

The Australian Retailers Association (ARA) is the oldest, largest and most diverse national retail body, representing a \$400 billion sector that employs 1.3 million Australians and is the largest private sector employer in the country. As Australia’s peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community. To learn more about ARA’s exclusive member benefits and more, visit [retail.org.au](https://retail.org.au)

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